

## **Governor's Commission on Government Reform, Efficiency, and Performance**

Minutes of Meeting held on February 5th, 2016

10:00AM

Wisconsin State Capitol, Madison WI

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**Commission Members Present:** Co- Chair John Shiely, Co-Chair Scott Neitzel, Mr. Bob Ziegelbauer, Secretary Dave Ross, Mr. Ara Cherchian, Senator Janis Ringhand, Senator Howard Marklein, Mr. Michael Heifetz, Representative Adam Jarchow, Secretary Richard Chandler, Mrs. Linda Seemeyer, and Mr. Robin Gates.

**Excused:** Representative Adam Jarchow

1. Co- Chair Scott Neitzel opened the meeting and called for the approval of the January meeting minute recordings.
2. The January commission meeting minutes were approved unanimously.
3. Co-Chair Scott Neitzel introduced Kristen Cox, Executive Director of Utah's Office of Management and Budget on Utah's SUCCESS Framework.
4. Kristen Cox began her presentation on the SUCCESS Framework.
5. Co-Chair Scott Neitzel called Commission members to ask questions to Kristen Cox regarding her presentation.
  - Robin Gates asked Mrs. Cox how she has gone about making sure the agencies are applying her methodologies and developing their abilities to do the things she has a vision for.
  - Mrs. Cox responded that she aims to create a common culture for her workers and she approaches issues using the Socratic Method on question asking and facilitating conversation with the agencies. She also mentioned she utilizes her team to help her formulate these conversations.
  - Mr. Michael Heifetz commented that he appreciated her comment about "stopping" being equally as important to "starting". He asked her how she has seen the "stopping" method play out on a broader spectrum throughout her career.
  - Mrs. Cox answered by giving an example of government "batching" and how that affects the quality of work load. She said internally collaborating and reallocating duplicated jobs was time consuming, but helped her office become more efficient in the long run.
  - Senator Howard Marklein commented that they tried to be more efficient within the auditing process and they wanted to cut 5% off certain jobs, but it was not leading to results. He said he did not see success until he expected a more dramatic improvement. He then asked Mrs. Cox how she defined goals for the agencies, specifically within the large agencies that deal with more transactional jobs in their large work environments? He asked how one would define a goal within these transactions that doesn't completely extract money from programs that might be important to the taxpayers.
  - Mrs. Cox agreed with Senator Marklein that there needs to be a higher expectation to produce dramatic improvements. She defined her goals as

seeing clarity within the differences of environments such as transactional environments versus social service environments. She said the objective in defining a “goal” was to come to an agreement through structured conversation in order to obtain a common goal.

- Senator Howard Marklein commented that during the budget process last year, evaluating the data and determining whether the numbers should go up or down was a question no one was able to answer.
- Mrs. Cox answered that presenting yourself with clear objectives to the consumer is a way to move towards transparency in government.
- Co-Chair Scott Neitzel added to Senator Marklein’s question regarding goal setting. He asked if the goals were made over the enterprise, agency, division, program, or overall? He followed up on this question by asking how this system followed suit with Mrs. Cox’s philosophy on simple changes having big impact.
- Mrs. Cox responded saying that she and her team work through systems of processes, policies, and procedures that structure their vision, give them a common goal, and make it simplified so they become attainable.
- Senator Janis Ringhand asked Mrs. Cox to expand on the processes that go along with the systems she has been talking about in relation to the agencies.
- Mrs. Cox replied that through constructive conversation with the agencies, they are given the responsibilities to carry out their expertise in a multi-perspective and productive environment.
- Ara Cherchian asked what percent of improvements were due to the work on the quality that is done through these systems.
- Mrs. Cox responded by suggesting that instead of looking at the cost values, to look at the quality of the work by evaluating speed in the throughput and cycles. She said a vast majority of improvements were made by focusing on this rather than cost.
- Co- Chair Neitzel asked what the interaction between the executive and legislative branch looked like in this type of process.
- Mrs. Cox said there was a healthy tension in Utah mostly due to the aggressiveness of their office to bring the legislative branch up to speed on different cases.
- Secretary Dave Ross asked Mrs. Cox to comment on finding the “right person” for the job. He asked her what she did to manage the “people issue” to get to her goal.
- Mrs. Cox responded that the transfer of knowledge becomes difficult when you work across employees. In regards to her team, each team needs to have their own knowledge in order to ask the right questions. It’s a matter of specific management and training catered to each group.
- Mrs. Lynda Seemeyer asked Mrs. Cox how she was able to make agencies and legislature want to support her “stopping” agendas.
- Mrs. Cox replied by starting with the agencies and how they are excited to stop things that are preventing their work that they were hired to do. She said when identifying their constraints, she begins with the “stops” not the

“starts”. This allows them to identify their own problems in order to remove their obstacles. She said it gives the agency the flexibility to express their expertise, and to provide early wins where there are weaknesses.

- Mrs. Linda Seemeyer asked if her systems create a strategic plan for the agencies.
  - Mrs. Cox replied saying that the systems are designed to complement the plans of the agencies. She stated that her office makes 8 week plans and this pushes the agencies to be proactive in fixing the constraints.
  - Senator Howard Marklein asked Mrs. Cox what the “Blue Light” was that she was referring to during her presentation.
  - Mrs. Cox gave an anecdote about the blue light created by a welder when he was doing his job. Blue Light is about focusing on doing the job you are assigned or hired to do with the least amount of distractions or unnecessary processes.
  - Mr. Michael Heifetz asked Mrs. Cox if her office budgeted or evaluated IT initiatives through enterprises or through specific agencies.
  - Mrs. Cox concurred that her office does deal with IT initiatives and they are currently improving this especially within the Department of Technology Services. Their initiatives were to increase the base line of the throughput of the IT projects. She said her office certainly looks at the large programs, but she passes along the smaller initiatives to the enterprises.
  - Mr. Michael Heifetz inquired if she was able to spread the culture of her office to the agencies.
  - Mrs. Cox answered saying that experiencing this culture is vital to shifting the agencies to behave within these systems and implement them.
6. Co-Chair Scott Neitzel closed the questioning session and called for a short break.
  7. Co-Chair Scott Neitzel reconvened the commission meeting, and asks Mr. Waylon Hurlburt to begin the discussion on the Sunset Commission.
  8. Mr. Waylon Hurlburt introduced the Sunset Commission began the committee discussion regarding commission implications.
    - Mr. Robin Gates asked if Mr. Hurlburt had received feedback regarding the audit or fiscal bureau that would be likely to intersect with the mission of the Commission.
    - Mr. Waylon Hurlburt mentioned that he met with the director of the Fiscal Bureau, and he walked through their ideas; these were located on the first page of the white paper included in the binders provided.
    - Mr. Michael Heifetz commented that he would like emphasis put on the “stopping” initiatives included in Kristen Cox’s presentation. He asked the Commission members how they could implement this into their initiatives.
    - Senator Howard Marklein remarked that he would like to see more monitoring of systems and a better definition of goals in the legislature.
    - Secretary Dave Ross concurred with Mr. Michael Heifetz to push forward the idea of “stopping” with using the example of licensure.
    - Richard Chandler commented that he supported the idea of calling this Commission the “Spotlight Commission” to observe the agency operations.

He wants to use the goal setting process to evaluate the agencies by avoiding duplicated jobs, as well as assessing their quality of work over their expenditures.

- Mrs. Linda Seemeyer commented her agreement of evaluation of systems within agencies because this seems to work well with larger agencies. She suggested that the commission include the Audit Bureau to evaluate these systems.
- Senator Janis Ringhand contributed her suggestion on eliminating the unnecessary operations of the agencies as well as creating equality across all reformatations made by the Sunset Commission.
- Ara Cherchian commented on the struggle of making changes to the system that some workers have been operating for their entire careers. He mentioned that people may ignore these efforts due to frustration with the changes.
- Secretary Dave Ross questioned the overall effectiveness of the Sunset Commission. He mentioned that they were creating a large amount of work in the short run to save a small amount of money to the taxpayers in the long run.
- Co-Chair Scott Neitzel suggested that the Commission combine the measures outlined in the Sunset Commission with Mr. Matt Moroney's presentation and Kristen Cox's presentation.
- Secretary Richard Chandler suggested that they concentrate on certain operations of agencies without micromanaging them.
- Senator Howard Marklein questioned how they would evaluate the quality and efficiency of the agency operations. He said from the commission's perspective the only aspect they were able to observe is the cost.
- Secretary Dave Ross commented that he felt that some of the objectives included in the Sunset Commission were pursuing the "White Noise" mentioned in Kristen's presentation. He would rather the commission concentrate on more significant work.
- Secretary Chandler suggested that they go forth with the agency reviews in the fall and spring which are not during the budget making process. He feels that this would make agencies more productive because they would be concentrating on the initiatives included in the budget.
- Mr. Ara Cherchian asked if legislative audit bureaus could be expanded.
- Mr. Waylon Hurlburt referred back to Mr. Ken Levine's presentation from Texas, where he mentioned a multi-perspective review of agencies was needed. Mr. Hurlburt mentioned that according to feedback on this idea, the commission did not want to add work to service agencies, but rather to keep them independent in order to not duplicate jobs. He suggested the commission combine the measures mentioned in the different presentations.
- Co-Chair John Shiely asked if they did not proceed with the measures of the Sunset Commission, to mention what initiatives would they pursue instead.
- Co-Chair Scott Neitzel stated that this was a process of evaluation of the value added to each dollar this commission is saving through the modifications.

- Co-Chair John Shiely wanted to further evaluate the Sunset Commission without disregarding its initiatives.
  - Co-Chair Neitzel stated this was merely a process to see how these commissions fit into the structure of Wisconsin State Government.
  - Secretary Richard Chandler commented on the necessity of continual work of improvement within the agencies.
  - Secretary Dave Ross spoke on behalf of the agencies that they vigorously evaluate all their operations. He said a receptive audience is necessary for government reformation.
  - Mr. Ara Cherchian praised Kristen Cox's presentation on their micro-level analytical review of operations.
  - Mr. Bob Ziegelbauer commented that this was a regulation process and it needed to be supervised in an organized way.
  - Mrs. Linda Seemeyer praised the Sunset Commission efforts, but suggested that the commission pick and choose pieces of the different presentations that pertain directly to Wisconsin State Government programs and work from there.
  - Mr. Robin Gates pointed out the need for a succession of people who have the aggressive goals in mind, like Kristen Cox, to continue reviewing the quality measures done by the agencies.
  - Co-Chair John Shiely added to Mr. Robin Gates' statement by suggesting the implementation of a tool that gives a negative consequence if agencies do not comply with their spotlight process.
  - Mrs. Linda Seemeyer concurred.
9. Co-Chair Scott Neitzel closed the discussion on the Sunset Commission.
  10. The March Commission meeting was set to be on Friday, March 4<sup>th</sup> 2016 at 10:30AM in the Wisconsin State Capitol in Madison.
  11. Co-Chair Scott Neitzel adjourned the meeting.